Changes since video was filmed...

- Sampling of Facility Ratings is now done on FAC-008 R6, the successor requirement of FAC-009 R1
- Old versions of a document are no longer required if a revision history exists to establish it was in effect the entire audit period
- Daily summary is now 2 documents:
  - Daily status sheet which identifies findings
  - Evidence Request List, which shows the status of Evidence Requests

December 2013
Changes since video was filmed...

• In general, audit team will discuss the conclusion (No Findings, Possible Violation, Not Applicable) after the daily caucus; however, Possible Violations will be identified as soon as possible to allow the entity a chance to provide additional evidence

• “Suggestions” are now called “Recommendations”; the description in the video is correct

• Draft report timeline is now 4 weeks with a 5 business day review by the entity
  – Report only contains Recommendations, Areas of Concern, and Possible Violations

December 2013
2011 Fall Compliance Workshop

Mock Audit

October 4, 2011

Jim Williams
jwilliams.re@spp.org
501.614.3261
Mock Audit Objectives

1. Highlight importance of preparation by audit team and registered entity
2. Demonstrate what an audit is like for those who have not been audited
Introductions

- Jim Williams – SPP RE Lead Compliance Specialist
- Jeff Rooker – SPP RE Lead Compliance Engineer
- Greg Sorenson – SPP RE Senior Compliance Engineer
- Thomas Teafatiller – SPP RE Senior Compliance Engineer
- Tracey Stewart – Southwestern Power Administration Director, Division of Reliability Compliance and Transmission Policy
- Mike Wech - Southwestern Power Administration Director, Division of Scheduling and Operations
Today’s Agenda

• RE Audit Team’s pre-audit review
• Registered Entity’s pre-audit preparation
• RE Audit Team’s opening presentation
• Registered Entity’s opening presentation
• Mock Audit with “Acme Power”
  – Subject Matter Expert (SME) interviews
  – Evidence review
  – Exit presentation
• Questions and answers
BEFORE THE AUDIT
Audit Packet

- Audit Team sends Audit Packet to Registered Entity 90 days in advance:
  - **Reliability Standard Audit Worksheets (RSAWs)**
  - Pre-audit survey/internal compliance questionnaire
  - Notification Letter which identifies evidence submittal dates
  - Audit Team and Observers
  - Biographies
  - Code of conduct and confidentiality agreements
  - NERC Letter
  - Data samples worksheet
RSAWs

- RSAWs are common to all Regional Entities
  - Mandatory and publicly available
- Entity completes RSAW (Word document) for each standard/requirement within audit scope
- Each RSAW lists Subject Matter Experts and evidence list (title or file names)
- Evidence list should include:
  - Page numbers of relevant information
  - Date document was approved/revision number
- Narrative allows you to explain how you meet requirement
Data Sampling

- Balances audit risk and sample size
- Mostly random, but some judgment sampling
- Used for PRC-005, FAC-008, PRC-023 and other req’ts involving numerous data points
- **Sampling Methodology** approved by NERC and used by all REs

<table>
<thead>
<tr>
<th>Substation</th>
<th>NAME</th>
<th>MaxKV</th>
<th>Relays Names</th>
<th>Relays</th>
<th>Batteries</th>
<th>DC Circuitry</th>
<th>Communication</th>
<th>CT &amp; PT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Substation A</td>
<td>161</td>
<td>Overcurrent - 51</td>
<td></td>
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<td></td>
<td></td>
<td>Directional 67</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Best Practices - Evidence

1. Highlight relevant information in evidence documents so audit team can easily find it

2. RSAW narrative should briefly describe a process – not simply say “see document” or “per SPP Criteria”

3. Add links from RSAW narrative /evidence list to evidence documents

4. Evidence should be in folders by standard, then requirement
   a) If same evidence used for multiple requirements, copy to each folder
**Best Practice: RSAW with versions, dates, links**

### R1 Supporting Evidence and Documentation

**Response: (Registered Entity Response Required)**

Provide the following:
- Document Title and/or File Name, Page & Section, Date & Version

<table>
<thead>
<tr>
<th>Title</th>
<th>Date</th>
<th>Version</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voltage and Reactive Plan page 1</td>
<td>6/1/07</td>
<td>0</td>
</tr>
<tr>
<td>Voltage and Reactive Plan page 1</td>
<td>5/1/08</td>
<td>1</td>
</tr>
<tr>
<td>Voltage and Reactive Plan page 1</td>
<td>4/30/09</td>
<td>2</td>
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<tr>
<td>Voltage and Reactive Plan page 1</td>
<td>5/1/10</td>
<td>3</td>
</tr>
<tr>
<td>Voltage and Reactive Plan page 1</td>
<td>5/1/11</td>
<td>4</td>
</tr>
<tr>
<td>email receipt of notification to adjacent TOP</td>
<td>7/1/08</td>
<td></td>
</tr>
<tr>
<td>email receipt of notification to adjacent TOP</td>
<td>7/1/09</td>
<td></td>
</tr>
<tr>
<td>email receipt of notification to adjacent TOP</td>
<td>7/1/10</td>
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</tr>
<tr>
<td>email receipt of notification to adjacent TOP</td>
<td>7/1/11</td>
<td></td>
</tr>
<tr>
<td>Voltage and Reactive Plan-Voltage Schedule page 2</td>
<td>6/1/07</td>
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<tr>
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<tr>
<td>Voltage and Reactive Plan-Voltage Schedule page 2</td>
<td>4/30/09</td>
<td>2</td>
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<tr>
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<td>5/1/10</td>
<td>3</td>
</tr>
<tr>
<td>Voltage and Reactive Plan-Voltage Schedule page 2</td>
<td>5/1/11</td>
<td>4</td>
</tr>
</tbody>
</table>
Best Practice: Well-organized evidence folders
Audit Team’s Pre-Audit Evidence Review

• Review evidence at SPP RE office (entity not involved)
  – RSAWs, policies/procedures, operator logs, screenshots, emails, voice recordings, etc.

• Document findings in RSAWs

• Prepare pre-audit Daily Status Report
  – May request additional evidence before the audit
  – Preliminary findings
    ▪ If enough evidence is supplied and audit team determines “no findings”, requirement may not require further review during audit

• Finalize audit agenda
SWPA’S PRE-AUDIT PREPARATION
Southwestern’s Audit Preparation

- Fall 2010 – Outside entity review of standards evidence
- Educational sessions with management and SMEs
  - Including specific instructions on RSAW completion & appropriate types and amount of evidence
- Shared drive for SMEs
  - distribute information
  - coordinate RSAW packages
  - add new evidence
Southwestern’s Audit Preparation

- Biweekly webinars to discuss status, new information and any issues
- Dashboard reporting to management and staff
  - Status of RSAW package completion & compliant state
- Individual review sessions with SME, back up SME, and manager
- Practiced “live” walk-through of RSAW evidence packages
- Individualized interview technique sessions
## Southwestern’s Audit Preparation

### Dashboard Report Sample

<table>
<thead>
<tr>
<th>Standard &amp; Requirement</th>
<th>Text of Requirement</th>
<th>RSME</th>
</tr>
</thead>
<tbody>
<tr>
<td>COM-002 R1.1</td>
<td>Each Balancing Authority and Transmission Operator shall notify its Reliability Coordinator, and all other potentially affected Balancing Authorities and Transmission Operators through predetermined communication paths of any condition that could threaten the reliability of its area or when firm load shedding is anticipated.</td>
<td>Jim Dandy</td>
</tr>
<tr>
<td>EOP-001 R1</td>
<td>Balancing Authorities shall have operating agreements with adjacent Balancing Authorities that shall, at a minimum, contain provisions for emergency assistance, including provisions to obtain emergency assistance from remote Balancing Authorities.</td>
<td>Joe Cool</td>
</tr>
</tbody>
</table>
First day of audit

OPENING PRESENTATIONS
Regional Entity’s Opening Presentation

• Audit Team Introductions
• Compliance Program – Overview
• Audit Overview
• Audit Scope
• Audit Process
• Data Access Requirements
• Handling of confidential information
• Exit Presentation
• Feedback Forms
• Audit Agenda
Sample Slide from RE’s Opening Presentation: Compliance Audit- Process

• Pre-Audit

• Audit
  – Auditors generally have specific roles:
    ▪ Interviewer, scribes, and document controller
  – Interviewer will lead audit by:
    ▪ Introducing each applicable requirement
    ▪ Asking questions specific to each requirement
    ▪ Discussing the standard/requirements with Subject Matter Experts
    ▪ Reviewing supporting evidence
    ▪ Documenting Findings
  – Conduct Exit Presentation

• Post-audit
Sample Slide from RE’s Opening Presentation:
Data Access Requirements

– Burden of proof for compliance is Registered Entity’s duty
– Registered Entity’s responsible for providing evidence of compliance with all applicable reliability standards
– RE’s authority to review evidence is through Code of Federal Regulations Section 39.2
– RE will securely store evidence
– RE will accept evidence until the exit presentation
Sample Slide from RE’s Opening Presentation: Handling Confidentiality and Critical Infrastructure Information

- Governed by NERC Rules of Procedures Section 1500
- Registered Entity is responsible for marking as confidential any information that it submits to the SPP RE that the Registered Entity reasonably believes contains Confidential Information
- Confidential Information categories defined in Section 1501
- Except as provided in Section 1500 of the NERC Rules of Procedures and as otherwise legally required, the SPP RE will keep in confidence and not disclose or distribute any Confidential Information or any part thereof without the written permission of the Registered Entity
Registered Entity’s Presentation

• Audit Team asks the entity’s management to provide an overview of its operations:
  – Functions and Area
  – Bulk Electric System Transmission Facilities
  – Interconnections
  – Compliance culture
  – Staffing-Control Room, support staff etc.
    ▪ Organizational chart, area maps, control room schematic system diagram
  – Brief overview of Back Up Control Facility plans and facilities if available
SWPA’S OPENING PRESENTATION
Southwestern Power Administration

- An agency of the Department of Energy
- One of four Power Marketing Administrations
- Operates under the authority of Section 5 of the Flood Control Act of 1944
- Authorized to market power generated at Federal hydroelectric facilities in coordination with U.S. Army Corps of Engineers
Sample Slide from SWPA’s Opening Presentation

Administrator (CEO)

Assistant Administrator
Office of Corporate Operations

Deputy Asst Administrator (Washington DC)

Assistant Administrator
Office of Corporate Operations

General Counsel

Assistant Administrator
Office of Corporate Facilities

Communications

Engineering

Transmission

Security

Officer

Aviation, Safety & Health

Maintenance

Engineering & Planning

Meter & Relay Maintenance

Transmission Engineering

Communications Engineering

Acquisition and Facilities Services

Financial Management

Resources & Rates

Customer Service

Information Technology & Communications

Reliability Compliance & Transmission Policy

Information Services Tulsa

Information Services Springfield

Compliance Analysts

Jonesboro Maintenance Unit

Springfield Maintenance Unit

Gore Maintenance Unit

Right-of-way Vegetation Management Unit

Maintenance

Human Resources

Scheduling & Operations

System Operations

Operations Compliance & Training

Operations Unit

Springfield System Operations

Compliance Maintenance

Compliance Analysts

Tulsa Information Services

Information Services Springfield

Information Services Tulsa

Jonesboro Maintenance Unit

Springfield Maintenance Unit

Gore Maintenance Unit

Right-of-way Vegetation Management Unit

Maintenance

Southwestern Power Administration

Southwestern Power Administration

Slide 27
Southwestern Organizational Structure

Identified Responsible SMEs for applicable standards and requirements

- Routine educational sessions
- Data collection and analysis
- Internal reviews
- Regular management updates
Southwestern Organizational Structure

System Operations staffing overview:

- Supervisory Power System Dispatcher
- Power Operations Specialists
  - Outage Coordinator
  - Training Manager & Operations Compliance Specialist
  - Trainer
- Power Operations Specialist - Scheduling
- Power System Dispatchers (15)
  - Two on shift 24/7
  - Rotate between Generation & Transmission desk
- Power System Scheduler desk on 5/16 rotation
Sample Slide from SWPA’s Opening Presentation

INTEGRATED SYSTEM MAP

Power Projects

1. Clarence Cannon
2. Harry S. Truman
3. Stockton
4. Table Rock
5. Beaver
6. Bull Shoals
7. Norfork
8. Greers Ferry
9. Ozark
10. Dardanelle
11. Blakely Mountain
12. DeGray
13. Narrows
14. Keystone
15. Fort Gibson
16. Webbers Falls
17. Tenkiller Ferry
18. Eufaula
19. Robert S. Kerr
20. Broken Bow
21. Denison
22. Whitney
23. Sam Rayburn
24. Robert D. Willis

POWER PLANTS
TRANSMISSION LINES

SOUTHWESTERN POWER ADMINISTRATION
Southwestern Statistics

- Balancing Area and Generating Units
- System Peak Load (Typically summer)
  - 1,687 MW (past)
  - 801 MW (7/11/11 HE 16:00)
SWPA staff will play the role of **fictional** Acme Power Company SMEs

**MOCK AUDIT**
<table>
<thead>
<tr>
<th>Standard Number</th>
<th>Requirement Number</th>
<th>FINDING/ STATUS</th>
<th>ADDITIONAL EVIDENCE REQUESTED</th>
<th>ADDITIONAL EVIDENCE STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIP-001-1a</td>
<td>R1.</td>
<td>PENDING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CIP-001-1a</td>
<td>R2.</td>
<td>PENDING</td>
<td>What about contact numbers for the interconnection neighbors?</td>
<td>REQUESTED</td>
</tr>
<tr>
<td>CIP-001-1a</td>
<td>R3.</td>
<td>PENDING</td>
<td>Provide evidence that operating personnel were provided the sabotage guidelines.</td>
<td>REQUESTED</td>
</tr>
<tr>
<td>CIP-001-1a</td>
<td>R4.</td>
<td>NO FINDING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRC-005-1</td>
<td>R1.</td>
<td>POSSIBLE VIOLATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRC-005-1</td>
<td>R1.1.</td>
<td>POSSIBLE VIOLATION</td>
<td>The audit team could not determine the basis for Battery testing and maintenance</td>
<td></td>
</tr>
<tr>
<td>PRC-005-1</td>
<td>R1.2.</td>
<td>POSSIBLE VIOLATION</td>
<td></td>
<td></td>
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<tr>
<td>PRC-005-1</td>
<td>R2.</td>
<td>POSSIBLE VIOLATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRC-005-1</td>
<td>R2.1.</td>
<td>POSSIBLE VIOLATION</td>
<td>The audit team discovered the 5th Street protective components were not tested within Acme's defined intervals</td>
<td></td>
</tr>
<tr>
<td>PRC-005-1</td>
<td>R2.2.</td>
<td>POSSIBLE VIOLATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VAR-001-1</td>
<td>R1.</td>
<td>PENDING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VAR-001-1</td>
<td>R2.</td>
<td>PENDING</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Act 1:
PRC 005-1 R1

• Evidence:
  – ACME RSAW PRC-005-1 (January 2011).pdf
  – Relay Testing Procedure.doc
  – Battery Testing Procedure.doc

• Acme provided insufficient evidence during pre-audit
Act 2:
PRC-005 R2

• Evidence:
  – ACME RSAW PRC-005-1 (January 2011).pdf
  – Relay Summary.xls

• Acme has possible violation

• Audit Team will request evidence
Act 3:
VAR-001-1 R1

- Evidence:
  - ACME RSAW VAR-001-1.pdf
  - Voltage and Reactive Plan.docx
- Audit Team requests “stacking” evidence
<table>
<thead>
<tr>
<th>Standard Number</th>
<th>Requirement Number</th>
<th>FINDING/STATUS</th>
<th>ADDITIONAL EVIDENCE REQUESTED</th>
<th>ADDITIONAL EVIDENCE STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIP-001-1a</td>
<td>R1.</td>
<td>PENDING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CIP-001-1a</td>
<td>R2.</td>
<td>PENDING</td>
<td>What about contact numbers for the interconnection neighbors?</td>
<td>Completed</td>
</tr>
<tr>
<td>CIP-001-1a</td>
<td>R3.</td>
<td>PENDING</td>
<td>Provide evidence that operating personnel were provided the sabotage guidelines.</td>
<td>Completed</td>
</tr>
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<td>CIP-001-1a</td>
<td>R4.</td>
<td>NO FINDING</td>
<td></td>
<td></td>
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<td>PRC-005-1</td>
<td>R1.</td>
<td>PENDING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRC-005-1</td>
<td>R1.1.</td>
<td>PENDING</td>
<td>The audit team could not determine the basis for Battery testing and maintenance. Provide battery testing intervals.</td>
<td>New</td>
</tr>
<tr>
<td>PRC-005-1</td>
<td>R1.2.</td>
<td>PENDING</td>
<td>Provide battery testing procedure; the team reviewed during audit.</td>
<td>New</td>
</tr>
<tr>
<td>PRC-005-1</td>
<td>R2.</td>
<td>POSSIBLE VIOLATION</td>
<td></td>
<td>New</td>
</tr>
<tr>
<td>PRC-005-1</td>
<td>R2.1.</td>
<td>POSSIBLE VIOLATION</td>
<td>The audit team discovered the 5th Street protective components were not tested within Acme's defined intervals. Provide annual battery test for Airport</td>
<td>New</td>
</tr>
<tr>
<td>PRC-005-1</td>
<td>R2.2.</td>
<td>POSSIBLE VIOLATION</td>
<td></td>
<td>New</td>
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<tr>
<td>VAR-001-1</td>
<td>R1.</td>
<td>PENDING</td>
<td>Provide screenshot of the voltage display and alarm summary</td>
<td>New</td>
</tr>
<tr>
<td>VAR-001-1</td>
<td>R2.</td>
<td>PENDING</td>
<td></td>
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</table>
Act 4:
Final status report and exit presentation
<table>
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<tr>
<th>Standard Number</th>
<th>Requirement Number</th>
<th>FINDING/ STATUS</th>
<th>ADDITIONAL EVIDENCE REQUESTED</th>
<th>ADDITIONAL EVIDENCE STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIP-001-1a</td>
<td>R1.</td>
<td>NO FINDING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CIP-001-1a</td>
<td>R2.</td>
<td>NO FINDING</td>
<td>What about contact numbers for the interconnection neighbors?</td>
<td>Completed</td>
</tr>
<tr>
<td>CIP-001-1a</td>
<td>R3.</td>
<td>NO FINDING</td>
<td>Provide evidence that operating personnel were provided the sabotage guidelines.</td>
<td>Completed</td>
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<td>CIP-001-1a</td>
<td>R4.</td>
<td>NO FINDING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRC-005-1</td>
<td>R1.</td>
<td>NO FINDING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRC-005-1</td>
<td>R1.1.</td>
<td>NO FINDING</td>
<td>The audit team could not determine the basis for Battery testing and maintenance. Acme provided Battery intervals.</td>
<td>Completed</td>
</tr>
<tr>
<td>PRC-005-1</td>
<td>R1.2.</td>
<td>NO FINDING</td>
<td></td>
<td>Completed</td>
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<tr>
<td>PRC-005-1</td>
<td>R2.</td>
<td>POSSIBLE VIOLATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRC-005-1</td>
<td>R2.1.</td>
<td>POSSIBLE VIOLATION</td>
<td>The audit team discovered the 5th Street protective components were not tested within Acme's defined intervals. Airport battery test was provided</td>
<td>Completed</td>
</tr>
<tr>
<td>PRC-005-1</td>
<td>R2.2.</td>
<td>NO FINDING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRC-008-0</td>
<td>R1.</td>
<td>NO FINDING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VAR-001-1</td>
<td>R1.</td>
<td>NO FINDING</td>
<td>Provided screenshot of the voltage display and alarm summary</td>
<td>Completed</td>
</tr>
<tr>
<td>VAR-001-1</td>
<td>R2.</td>
<td>NO FINDING</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Sample Slide from Acme Exit Presentation:
Exit Presentation Summary

• Positive Observations
• Suggestions
• Areas of Concerns
• Final Process
• Rights of the Entity
• Audit Findings
• Questions
Sample Slide from Acme Exit Presentation:
Positive Observations

• Knowledgeable SMEs
• Evidence well organized, RSAWs thorough
• Good participation from upper management
• Real Time Contingency Analysis and next day study process
• Emergency plans very thorough – covered several scenarios
• Quality training on emergency plans – cover decision points as well as steps in the process
Sample Slide from Acme Exit Presentation:
Suggestions to improve ACME’s processes

- CIP-001 – One consolidated instead of three Sabotage Reporting Documents would help ensure all actions that need to be taken for a sabotage event are taken

- ACME appeared to be having trouble maintaining separate documents for its 10 power plants

- NOTE: These suggestions are not requirements or mandatory for implementation
Sample Slide from Acme Exit Presentation:
Areas of Concern

• CPS2 performance consistently at 90.2-90.5%
• Trend of testing being done on last day of cycle
• Some misoperations caused by relay coordination for large loads installed prior to 2005
Sample Slide from Acme Exit Presentation:
General Audit Suggestions

- Documents should be dated and include review and revision history
- Establish method to demonstrate compliance to repetitive tasks for future audits – daily studies, relay operation analysis
- For event-driven requirements, provide procedure showing what actions will take place when event occurs
- For yearly programs (maintenance, training), provide a summary sheet showing all the items per year
  - This enables auditor to verify all items were covered according to company intervals or standards
Sample Slide from Acme Exit Presentation:
Final Process

• Notification of possible violation(s) issued via webCDMS within 5 business days of end of audit

• Audited Entity Feedback Form
  – Submit to SPP RE
  – If anonymous, mail it directly to the Regional Compliance Managers or email to NERC at complianceoversight2@nerc.net

• Draft reports to ACME Power within 4 weeks

• ACME Power will have 2 weeks to review it for accuracy and make any comments

• SPP RE will review comments and incorporate warranted changes
Sample Slide from Acme Exit Presentation:

Final Process

- Final draft reports will be presented to SPP RE Executive Director of Compliance (Ron Ciesiel) for evaluation and approval
- Final reports will be sent to ACME Power and NERC
  - Public report will be posted on NERC and SPP RE websites
- ACME Power has the right to write a letter that will be posted with the final report at NERC
Sample Slide from Acme Exit Presentation:
Final Process

• After final report is posted, SPP RE will retain a copy of all compliance audit material collected for 5 years
  – Material will be secured at SPP RE office
• Audit team will destroy working copies of all audit material after the final report is posted
CMEP 5.0 Enforcement Actions

– Enforcement will perform an independent review to confirm there is a violation of Reliability Standard

Settlement Process

– Settlement negotiations may occur at any time until notice of penalty is filed with FERC

Notification of Notice of Alleged Violation and Penalty or Sanction (NAVPS), Registered Entity will have the options to:

– Agree with NAVPS and proposed penalty or sanction
– Agree with the NAVPS and agree to submit/implement Mitigation Plan
– Contest both the NAVPS and proposed penalty or sanction
Sample Slide from Acme Exit Presentation: Entity’s Rights

• Registered Entity Response
  – 30 days to respond to the Notice of Alleged Violation(s) and Penalty or Sanction - if not a final report of Confirmed violation will be issued
  – If contested Compliance Enforcement will schedule a meeting within 10 days after receipt of the response

• Appeals process in the CMEP 5.5
Sample Slide from Acme Exit Presentation:
Compliance Audit Findings

- Audit team reviewed 31 NERC Standards with 80 requirements that applied to ACME Power’s registered functions
  - 66 No Findings
  - 1 Possible Violation
  - 13 Not Applicable
Each Transmission Owner and any Distribution Provider that owns a transmission Protection System and each Generator Owner that owns a generation Protection System shall provide documentation of its Protection System maintenance and testing program and the implementation of that program to its Regional Reliability Organization on request (within 30 calendar days). The documentation of the program implementation shall include:

- R2.1. Evidence Protection System devices were maintained and tested within the defined intervals.
- R2.2. Date each Protection System device was last tested/maintained.

ACME Power Company failed to perform testing at one of five substations within the entity’s defined interval.
Highlights

- Preparation is key:
  - Audit prep should begin early
  - SMEs - well-versed re: evidence
  - RSAWs - thorough yet concise
  - Supply all evidence that demonstrates compliance
- During audit, audit team may ask for stacking evidence
- Entity will be able to provide additional evidence until exit presentation
- Entity’s opportunity to “tell their story”
Mock Audit Questions or Comments